



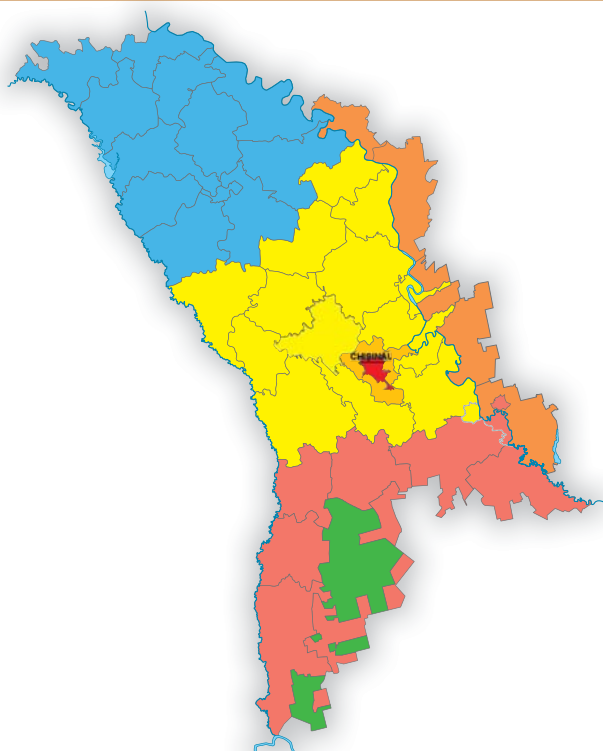
MINISTRY
OF REGIONAL DEVELOPMENT
AND CONSTRUCTION



REPORT

ON THE IMPLEMENTATION OF THE NATIONAL
STRATEGY FOR REGIONAL DEVELOPMENT

January – December 2011



January 2012

This report was developed by MRDC and published with the support of the German Development Cooperation (GIZ), in the frame of the project "Modernization of Local Public Services in the Republic of Moldova".

The expressed opinions belong to the authors and do not necessarily reflect the view of GIZ and BMZ.



Edition coordinator: *Veaceslav Guțuțui, Violeta Evtodienco, Ina Zmeu*

Page layout: *Andrei Ichim*

Descrierea CIP a Camerei Naționale a Cărții

Raport privind implementarea strategiei naționale de dezvoltare regională / Min. Dezvoltării Regionale și Construcțiilor; coord. ed.: Ina Zmeu.

- Ch.: S. n., 2012 (Tipogr. "Bons Offices" SRL). - 120 p. Texte: lb. rom., engl.

- 150 ex.

ISBN 978-9975-80-559-9

Printed at: Publishing & Printing House

„BONS OFFICES” SRL

Feredeului str. - 4/6, mun. Chișinău, MD-2005

Tel. +373 (22) 500-895, +373 (22) 500-578

E-mail: ion@bons.md

Contents

Abbreviations and Acronyms 7

Introduction 9

Executive Summary 12

OBJECTIVE 1: **Evaluation and harmonization of legal and institutional framework concerning regional development 15**

1.1 Review of existing legal framework concerning the regional development..... 15

1.2 Developing the mechanism of establishing “development poles” cities and criteria for their designation 16

1.3 Reviewing procedures for the call for project proposals, as well as implementation, evaluation, and selection of projects for NFRD 16

OBJECTIVE 2: **Updating and implementation of regional policy by planning and coordinating regional development measures with sectorial strategies..... 17**

2.1 Organizing and holding NCCRD meetings 17

2.2 Organization, development, and capacity building of regional development councils 17

2.3 Establishment and development of collaboration with the line ministries on developing action plans for implementing sector strategies 18

2.4 Linking regional objectives to national sector strategies and local planning documents 19

OBJECTIVE 3: **Ensuring effective implementation of regional development programs and projects 22**

3.1 Identification of new ideas for project proposals 22

3.2 Development of project proposals 23

3.3 Providing support to RDAs in regional development projects implementation 24

3.4 Completed Projects..... 28

3.5 Review of RDAs Operational Manual..... 28

OBJECTIVE 4: **Ensuring transparency in the implementation of regional development policy 29**

4.1 Updating the website of MRDC and monitoring the update of RDAs web pages. Monitoring the organized events 29

4.2	Development of Visual Identity Manual	29
4.3	Europe's Day at the RDAs	30
4.4	Participation in exhibitions	30
4.5	Collaboration with the media	31

OBJECTIVE 5: Implementation of effective, transparent monitoring and evaluation of regional development policy..... 32

5.1	Development and implementation of monitoring and evaluation of regional development policy	32
5.2	Monitoring and evaluation of the NSRD implementation	32
5.3	Monitoring and evaluation of the regional development strategy implementation in the North, Center and South.....	33
5.4	Monitoring and evaluation of the regional development project and program implementation.....	33

OBJECTIVE 6: Strengthening capacities of national and regional stakeholders in the successful implementation of regional development strategies 34

6.1	Developing the annual training plan, based on training needs assessment report prepared by external experts	34
6.2	Developing training sessions in accordance with the Annual Training Plan	34
6.3	Collaboration with other divisions of the ministry, with other authorities and public institutions in the training process	35
6.4	Launch and organization of national and regional events.....	36
6.5	Collaboration with development partners to contract experts/trainers and consultants in various fields.....	37
6.6	Organization of training in cross-border cooperation	37

OBJECTIVE 7: Efficient cooperation with development partners in attracting and implementing investment and technical assistance projects 38

7.1	Establishment of areas of assistance from development partners.....	38
7.2	Twinning Project "Capacity building in regional development in Moldova"	39
7.3	DFID/SIDA Project "Moldova: Cooperation in Regional Development".....	39
7.4	Local and regional development program in partnership with USAID.	40
7.5	Cooperation Agreement with the U.S. Peace Corps in Moldova.	40
7.6	Technical assistance provided by the Swedish International Development Cooperation Agency	40

7.7	Romanian grant provided to the Republic of Moldova.....	40
7.8	The pilot program for regional development within Eastern Partnership	41
7.9	EU-12 Program.....	41
7.10	Cooperation with German Development Cooperation GIZ Moldova	41
7.11	Cooperation with the EU project “Waste governance - Eastern ENPI”.....	42
7.12	EU Strategy for the Danube Region	42
7.13	RDAs support in development and implementation of relevant EU regional development programs.....	43
7.14	Cooperation between RDAs of the Republic of Moldova and Romanian RDAs	44
7.15	Diversification of financing instruments and mechanisms of regional development projects.....	46

OBJECTIVE 8: Exchange of international experience..... 47

8.1	Regional statistics study visit to the United Kingdom	47
8.2	International Conference “Creation and operation of Centers for Provision of Administrative Services in Ukraine,” Kiev, Ukraine	48
8.3	Second International Conference on overcoming of regional disparities, Arandjelovac, Serbia	48
8.4	Exchange of experience in Turkey	48
8.5	Exchange of experience in the Russian Federation.....	49
8.6	Seminar “Building and managing the development area of the Russian-speaking countries,” Beijing, Shenzhen, China.....	49
8.7	Exchange of experience in Romania.....	49
8.8	Study visit to Netherlands	50
8.9	Study visit to Romania and Germany on water supply and sewage systems and the regionalization of these services	50
8.10	Looking at successful practices in regional development in the Czech Republic	51
8.11	Study visit to Poland	51
8.12	Study tour within the Regional Development Pilot Program.....	52
8.13	Participation in the workshop titled “Local and regional public administration reform” in Kharkov, Ukraine.....	53
8.14	The study tour of the specialists of RDA Center to Alsace, France	54
8.15	The Second Annual European Forum for Cross-Border Cooperation for a Free Europe Elblag, Poland	54
8.16	Study visit of Moldovan delegation to Romania organized by the German Development Cooperation GIZ	55

8.17	Regional Seminar “Promoting good governance and financial management at local level,” held in Kiev, Ukraine	55
8.18	Workshop “Moderation - an effective approach to design and conduct group events” Leipzig, Germany	55

Conclusions57

ANNEX 1: List of regional development progress indicators in the 2011	59
--	-----------

ANNEX 2: Degree of use of the NFRD sources for regional development project in 2011	60
--	-----------

Abbreviations and Acronyms

APP - Agency for Public Property

BNS - National Bureau of Statistics

CPAS - Center for Provision of Administrative Services

DFID - Department for International Development of United Kingdom of Great Britain and Northern Ireland

DRRDI - Department for Relations with Regional Development Institutions

EC - European Commission

EU - European Union

DR - Development Region

GDRD - General Department for Regional Development

GIZ - German Development Cooperation

GoM - the Government

LPA - Local Public Authority

ME - Ministry of Economy

ME_{env} - Ministry of Environment

MRDC - Ministry of Regional Development and Construction

MSW - municipal solid waste

NCCRD - National Coordination Council for Regional Development

NFRD - National Fund for Regional Development

NGO - Non-Governmental Organization

NSRD - National Strategy for Regional Development

OM - Operational Manual

OSCE - Organization for Security and Cooperation in Europe

PPA - Public Procurement Agency

PRCD - Policy and Regional Cooperation Department

RD - Regional Development

RDA - Regional Development Agency

RDC - Regional Development Council

ROP - Regional Operational Plan

RM - Republic of Moldova

RDS - Regional Development Strategy

RSD - Regional Statistics Department

SADI - Small areas deprivation index

SIDA - Swedish International Development Cooperation Agency

SPD - Single Programming Document

Introduction

This report outlines the activities performed in 2011 for the implementation of the National Strategy for Regional Development (NSRD) by the MRDC and its subordinate regional development agencies.

The National Strategy for Regional Development is the main document governing regional development, highlighting national policy and introducing national mechanisms in this area. The purpose of the strategy is to establish and maintain a regional development management, implementation, monitoring and evaluation framework without describing the detailed contents of the regional development strategies or how the regions should design their development.

The institutional framework responsible for the implementation of the regional development consists of:

- National Coordination Council for Regional Development, a general competence, functional structure, without legal personality, established for approval, promotion and coordination of regional development objectives at national level;
- Ministry of Regional Development and Construction, the authority responsible for implementation of regional development policy;
- National Fund for Regional Development, source of financing programs and projects aimed at achieving regional development objectives. Annual appropriations from the state budget amount to 1% of the funds approved from the state budget for the year;
- Regional development councils, representative functional structures, without legal personality, established in each development region to develop, promote and coordinate the implementation of development programs at the regional level;
- Regional development agencies, non-commercial public institutions subordinated to MRDC, created to implement regional development strategies and regional operational plans.

The main objectives for regional development support, established by the law on regional development of the Republic of Moldova are:

1. To achieve a balanced and sustainable socio-economic development throughout the Republic of Moldova.
2. To reduce the socio-economic development misbalance between and within regions.
3. To strengthen the financial, institutional and human opportunities for the socio-economic development of the regions.
4. To support the activity of local public administration authorities and local groups aimed at socio-economic development of specific communities and coordination

of their interaction with the national, sectorial and regional development strategies and programs.

In order to identify imbalances within the development regions, the Ministry of Economy develops the SADI. This tool is a source of relevant information. It provides directions for the development and prioritization and efficient allocation of financial resources.

SADI is obtained by combining deprivation indices for the following areas: income deprivation, economic deprivation, population deprivation, deprivation of health care, educational deprivation, deprivation of living conditions, and geographical deprivation.

In Moldova, SADI is studied for the 843 villages in all rayons, including rural areas of Chisinau and Balti municipalities. To determine the level of deprivation of the locality in a given area, municipalities are assigned ranks according to the index obtained, i.e. rank 1 is for the place with the highest index value (the poorest) and 843th rank is for the place with the lowest index (the most prosperous).

Table 1 shows the level of discrepancy in regional development in 2009 in each of the three regions.

Table 1. SADI value specifies the most deprived and the most advantaged rayon in each development region in 2009, according to the calculations of the Ministry of Economy.

Name of the indicator	DR North Rayon, size and the index assigned	DR Center Rayon, size and the index assigned	DR South rayon, size and the index assigned
The most deprived rayons	Sîngerei	Rezina	Leova
SADI value	311	211	260
The most advantaged rayons	Mun. Bălți	Anenii Noi	Taraclia
SADI value	666	695	734

Source: <http://www.mec.gov.md/sector/241/1369>

According to statistical data for 2010, the Gross Domestic Product (GDP) per capita in, current prices, amounts to about MDL 20,181. Currently, this indicator is not disaggregated by development regions.

Analyzing some macroeconomic indicators for the period January – December 2010 as compared to January – December 2009, some discrepancies between development levels of the capital city and other regions are noticed (see table 2).

Table 2. The main macroeconomic indicators for each development region (January – December 2010 as percent of indicators for the period January – December 2009)

Name of the indicator	Total	Chişinău	DR North	DR Center	DR South
Industrial production value	107.0	107.3	108.3	107.2	105.8
Investment into fixed capital and construction	116.7	99.1	92.9	108.1	92.1
Transportation of goods through road transport companies	127.3	119.0	129.7	140.7	170.6
Retail sales value	108.9	106.8	113.3	111.1	110.3
Remuneration of employees, growth tempo	108.1	106.3	109.6	109.2	108.7

Source: The main socio-economic development indicators by development regions, rayons and municipalities, http://www.statistica.md/public/files/publicatii_electronice/Principalii_ind.soc_econ/2010/Buletin_raioane_III_2010.pdf

The regional development in Moldova has gained momentum in 2010 and the progress recorded during that period of time allows us to state that this sector has great prospects in Moldova. The results obtained in 2011 were the logical continuation of the results of 2010. This increased the attractiveness for foreign donors, the interest and confidence of local authorities and non-governmental organizations in the government policy on regional development.

Executive Summary

The MRDC activities were carried out in line with the Plan of Implementation of the Regional Development Policy for 2011, designed for the purpose of implementing the National Strategy for Regional Development, with priorities set in the National Development Strategy for 2008-2011, Government Activity Program “European Integration: Freedom, Democracy, Welfare 2011-2014” and the Program for Economic Stabilization and Recovery of the Republic of Moldova for 2009-2011, aimed at developing this area.

To achieve the goal and the strategic objectives provided for in the NSRD, the MRDC has set the following **objectives for 2011**:

1. Evaluation and harmonization of legal and institutional framework concerning the regional development.
2. Updating and implementation of regional policy by planning and coordination of regional development measures with sectorial strategies.
3. Ensuring of effective implementation of regional development programs and projects.
4. Ensuring transparency in the implementation of regional development policy.
5. Implementation of effective and transparent monitoring and evaluation system of regional development policy implementation.
6. Strengthening capacities of national and regional stakeholders in the successful implementation of regional development strategies.
7. Efficient cooperation with development partners in attracting and implementing investment and technical assistance projects in regional development.
8. Exchange of international experience.

The activities aimed at achieving these objectives are implemented by the staff of the GDRD of the MRDC and subordinated regional development institutions (RDAs) through effective collaboration with development partners and representatives of other ministries.

The main results achieved in the implementation of the regional development policy during January - June 2011, according to set objectives, are the following:

Objective 1: *Harmonization of the legal-normative framework on regional development and its adjustment to the *acquis communautaire*.* To achieve this objective, six studies on legal, conceptual and institutional recommendations were developed on how regional development may progress in Moldova.

Objective 2: *Planned and coordinated implementation of the regional development policy.* There is an active cooperation with the Ministry of Environment in the implementation of the Regional Strategy for Integrated Waste Management in DR South, National Strategy for Water Supply and Sewerage; with ME to implement the Strategy for Energy Efficiency and Alternative Energy Sources.

Objective 3: *Implementation of regional development programs and projects.* In 2011, 117.7 million lei were disbursed from NFRD for project implementation. There are 26 ongoing projects, of which 21 are funded by the NFRD and five projects are funded by GIZ, as follows:

Household waste management	– 8 projects;
Water and sewerage	– 7 projects;
Roads	– 6 projects
Energy efficiency	– 2 projects;
Support to small and medium business	– 1 project;
Attractiveness for tourists	– 2 projects;

Objective 4: Transparency in the implementation of regional development policy is ensured by publication on the websites of MRDC and RDAs and by media coverage of the main media events taking place in the field.

Objective 5: Monitoring the implementation of regional development policy has been based on the approved methodology, which involves a reporting system, a system of indicators by types of projects and statistical tools.

Objective 6: Strengthening of the capacity of national and regional stakeholders is achieved by organizing training sessions, workshops and roundtables attended by all employees of RDAs and GDRD, employees of other subdivisions of MRDC, central and local public authorities, representatives of NGO sector and business.

Objective 7: The cooperation with the development partners in implementation of the regional development policy is provided by:

Launch of the Regional Development Pilot Program within the Eastern Partnership Chişinău - Bruxelles for the years 2012-2013, funded by EU in the amount of seven million euro.

Launch by the EU of a new initiative in provision of technical assistance. Thus, 12 new EU member countries are available to support Moldova in the implementation of regional development policy.

Launch of the Twinning Project “Capacity Building for Regional Development in the Republic of Moldova”, financed by EU in the amount of two million EUR in 2012. The implementation of this project will be ensured by ministries responsible for regional development policy in France and Romania.

Further implementation of GIZ Projects “Modernization of Local Public Services in the Republic of Moldova” and “Capacity Development for Regional Development and Cross Border Cooperation in RM”.

Continuation of implementation of the EU funded Project: "Waste Management - IEVP East" in DR South, through the Spanish International Consulting Company EPTISA.

Closing of the activity of DFID/SIDA Project "Moldova: Cooperation in Regional Development," funded by Government of the United Kingdom and Northern Ireland and the Government of Sweden with an international conference.

Objective 8: The exchange of international experience was made through participation of the staff of MRDC and RDAs in study visits related to the subject of regional development in European countries and CIS countries.

Evaluation and harmonization of legal and institutional framework concerning regional development

1.1 Review of existing legal framework concerning the regional development

At the end of 2010 a working group was established to review the legal framework of regional development, consisting of representatives of sectorial ministries, chairmen of regional development councils, RDA directors, representatives of local governments, representatives of the NGO, academic and private sectors and development partners.

The role of the working group was to:

- Facilitate the exchange of information and intra-sectorial dialogue between interested government and non-government institutions;
- Identify issues related to the legal and regulatory framework requiring an in-depth analysis aimed at finding the best solutions to increase efficiency, functionality and transparency in the implementation of RD policy;
- Analyze the evaluation reports developed by MRDC project, with timely submission of comments and suggestions concerning these.

The working group held **three meetings**, one in November 2010 and the other two in January and February 2011. During the last two workshop sessions, six studies of the legal framework of regional development in Moldova were presented. These studies

▼ Working Group discussions on harmonization of the legal and institutional framework



were conducted with the support of experts from the DFID/SIDA “Moldova: Cooperation in Regional Development” Project.

The studies covered the following areas:

- regional development policy objectives.
- roles of the regional development agencies and relations between them;
- roles of other ministries and government agencies;
- regional development management and documents related to it;
- procedures for call for project proposals;
- regional development financing system.

The consultations during the preparation of background documents and workshop discussions allowed the expert team to formulate a number of conclusions on the current state of regional development policy and regional development activities and to formulate the final legal, conceptual, and institutional recommendations on how regional development may progress in the Republic of Moldova and adjust to the acquis communautaire.

These recommendations are pending review and amendments to relevant laws.

1.2 Developing the mechanism of establishing “development poles” cities and criteria for their designation

In 2012, MRDC will initiate the development mechanism to identify “development poles” cities.

This activity will begin in the first half of 2012, with the implementation of the Twinning Project, “Capacity building in regional development in Moldova.”

1.3 Reviewing procedures for the call for project proposals, as well as implementation, evaluation, and selection of projects for NFRD

To achieve this objective a working group was established in the fourth quarter of 2011. An Order by the Minister directed that proposals be developed for changes and additions to the Operational Manual and User Instructions. The proposals were to be submitted for funding from the National Fund for Regional Development, consisting of representatives of the Ministry and relevant persons in charge within RDAs. These proposals will help improve the procedures for carrying out the call for proposals and will also establish conditions that will remove all impediments that were identified during these years.

During the first meeting of the working group, ministry representatives and RDA officials submitted several proposals to amend and supplement the listed documents. The proposals were noted and will be reviewed and coordinated by ministry management. The draft document will be submitted to the National Coordination Council for Regional Development for approval.

Updating and implementation of regional policy by planning and coordinating regional development measures with sectorial strategies

2.1 Organizing and holding NCCRD meetings

During 2011, NCCRD held four sessions, where a number of extremely important topics were discussed and the following decisions were made on:

- hearing the NSRD implementation report and on the use of NFRD fund for regional development in 2010;
- financing procedures for regional development projects;
- allocating NFRD funds for 2011;
- modifying the NFRD Operational Manual;
- approving the report on activities undertaken by MRDC based on Court of Accounts report for 2010;
- decreasing NFRD allocations for regional development projects for 2011.

2.2 Organization, development, and capacity building of regional development councils

During the reported period, the North and Center regional development councils held two ordinary meetings each, while the South regional development council held three meetings. Decisions were made on:

- presentation of activity reports for 2010;
- approval of RDA activity plans for 2011;
- approval of RDA budgets for 2011;
- approval of the Strategy for Integrated Solid Waste Management in the Development Region South.

It should be noted that local elections were held during the reporting period and that some representatives of LPAs, who were also members of RDCs, lost their seats during elections. Consequently during the first semester MRDC and RDAs carried out updates to the composition of councils in all three developing regions.

During the reporting period, a training series on capacity building of new RDC members was carried out in all three development regions.



^ Meeting of RDC Center with the new members

During the first meeting of the newly comprised RDCs, the chairmen and deputy chairmen of the councils were elected. Private sector representatives were also appointed in NCCRD from each of the three regions.

2.3

Establishment and development of collaboration with the line ministries on developing action plans for implementing sector strategies

In order to achieve balanced and sustainable socio-economic growth throughout the country and to reduce imbalances in socio-economic development between and within regions, the regional development agencies sought to link regional strategic planning documents to national sector policy documents. Thus, based on the MRDC proposal, actions have been included in the Government Action Plan for 2011-2014 and approved by GD no. 179 of March 23, 2011 for planning and coordinating regional development measures with national sector policies and local economic development policies.

During the reporting period, MRDC continued to collaborate with the ME on developing a regional strategy for integrated waste management in Development Region South. In order to identify strategic solutions for organizing and implementing waste management strategy, GDRD representatives participated in the national working group along with representatives of the ME and the EU Project "Waste Governance - ENPI East," which was implemented by the International Spanish Consulting Company EPTISA. This strategy was approved by RDC South during a meeting on December 27, 2011.

Concerning water supply and sewage services, MRDC also participates and cooperates actively with the ME within a project to support the design of an investment/action plan to implement a new national strategy for water and sewage supply system. The project is financed by EU and implemented by the Organization for Economic Cooperation and Development and Kommunalcredit Public Consulting GmbH.

During this period, collaboration with ME has intensified in order to promote and implement the strategy on energy efficiency and alternative energy sources. GDRD representatives participated in three working sessions organized by SIDA in Moldova,

which were attended by major energy efficiency and alternative energy sector donors in Moldova. The results of these meetings will facilitate better regional information coordination, identify investment priorities in the field and avoid duplication of efforts by developing operational plans to implement the strategy for energy efficiency and alternative energy.

A GDRD representative was appointed as a member of the working group on updating the strategy for sustainable tourism development for the years 2003-2015, which was established under the National Tourism Agency.

During 2011, there were about six working group meetings where participants had the opportunity to conduct detailed analysis of the contents of the Strategy and Action Plan for Strategy Implementation. The draft contents and objectives of the new policy document for tourism development in Moldova were developed based on two diagnostic studies "State of the Tourism Sector in Moldova."

In early 2012, the new draft policy document or update to the previous document, "Sustainable Tourism Development Strategy for the years 2003-2015" is expected to be prepared. It will also coordinate the document with other sector strategies and gain approval by institutions involved in the working group and project approval.

2.4 Linking regional objectives to national sector strategies and local planning documents

To achieve the set goal, RDAs collaborated with the Ministry of Environment, the Ministry of Transport and Road Infrastructure, the Ministry of Agriculture and Food Industry, "Apele Moldovei" ("Moldova Waters") Agency and the Water Supply and Sanitation Projects Implementation Unit of the Ministry of Environment.

The subject of drinking water supply and sewage services is one of the main challenges for the development of Moldova. Most of the rural population is still deprived of drinking water. Also, waste water treatment possibilities are largely dependent on unsafe water sources.

The RDA Center, based on the provisions of the Strategy for Water Supply and Sewage in the Communities of the RM, established the communities in DR Center, as a priority for drinking water supply. A developed list of communities for which feasibility studies in water supply and sewerage services was identified.

RDA North and RDA South, in partnership with GIZ, under the "Modernization of Local Public Services in the RM," initiated the process of finding ways to streamline these services. In this context, diagnostic studies were performed in municipal water-supply companies Apa-Canal Riscani and Cahul. The results of these studies are used by district councils Riscani and Cahul to update the "Water Supply and Sewerage" component of the Socio-Economic Development Strategies of these districts. This activity is carried out with the support of RDA North, South, and GIZ.

The process of updating the socio-economic development strategies took place from July to December 2011 and comprised several stages.

A thorough analysis of the situation regarding water supply and sewage systems in villages in the mentioned districts was made. The analysis was conducted based on data collected through field visits, interviews, and focus groups with the stakeholders. Questionnaires were also conducted to gather information on water supply and sewage systems in communities. Other data was collected from local and national state institutions. This process has involved a number of national and international experts, contracted by GIZ.

A working group has been established consisting of representatives of MRDC, ME, State Chancellery, RDA South, RDA North, regional councils of Cahul and Rîșcani, and representatives of GIZ. The administration of Cahul and Rîșcani rayons organized several round tables attended by the mentioned working group and a group of consultants from Germany. Among the participants in all the round tables, there were representatives of the civil society, First and Second level LPAs in the respective rayons, other experts in water supply and sewerage and German consultants.

Currently, opportunities for regionalization of water and sewerage services are being identified. The best solutions will be included in the section concerning the water and sewage supply systems of the Socio-Economic Development Strategies of Cahul and Rîșcani rayons. The updated chapter will be subject to public consultation and then submitted to district councils for approval.

In order to multiply the gained experience in other rayons of the region, GIZ experts will develop a manual, as advisory support on the national, regional and local application of the methodology for finding ways to streamline the water supply services, already tested in Cahul and Rîșcani rayons. The manual will be available to the public in February 2012.

This methodology can also be applied to update and improve other chapters of the rayonal Socio-Economic Development Strategies in addition to water supply and sewerage.

Road infrastructure. Based on the provisions of the Land Transport Infrastructure Strategy for 2008-2017, road networks in DR Center have been identified where no interventions have been made, but which are of major importance in achieving an adequate level of social and economic development of the DR Center.

Solid Household Waste Management. The MRDC, in partnership with ME and the Spanish International Consulting Company, EPTISA, through the project "Waste governance - ENPI East," financed by the EU, aims to improve waste management system in RD South. Thus, on November 8, 2011, a conference was held to present the draft Waste Management Strategy for the Development Region South, which was approved by RDC South in late December 2011.

The draft strategy was developed based on inventory of DMS deposits, aimed at specifying the location and the limits of municipal solid waste landfills, but it also aimed at establishing their actual areas, including estimating the storage capacity and quantities of accumulated waste. Maps were developed on the location of municipal solid waste landfills and storage register containing information on the impact on human health and/or the environment. Also, a baseline study was conducted on the current status of waste management and waste management development needs forecast. The study showed that the waste problem in the region could be solved through joint and integrated efforts of all rayons in the region, focusing on the institutional framework accepted and coordinated at the inter-rayonal level. Issues related to the development of an inter-rayonal institutional framework to allow planning, managing and integrating in one waste management system, as well as the economic and social development of the region, formed the basis of regional approach to strategic planning of waste management.

In developing the strategy, it was agreed that the waste management would be more effective if it is planned for 3-4 rayons and carried out by associations with functions and responsibilities delegated by the rayon authorities. The rayonal associations will be financially sustainable only for regional coverage of 200,000-300,000 people, as confirmed by the experience of developed countries. In DR South, a plan was proposed

to organize the waste management in three areas: the first area is Causeni and Stefan Voda rayons, the second area is Cimisia, Leova and Basarabasca rayons and third area is Cantemir, Cahul and Taraclia rayons. For each area, sites where inter-communal storage facilities will be built have been identified. The decision was also made to establish a Waste Management Association for the entire South Region.

The findings produced by analysis and studies carried out by the RDAs in priority areas established by the regional development strategies for the North, Center and South, such as physical infrastructure rehabilitation, support for private sector development and labor market development, environmental protection and attractiveness for tourists will help deliver interventions to the regions in a planned and coordinated manner by informing and directing potential applicants to develop proposals for regional development projects with regional impact.

Ensuring effective implementation of regional development programs and projects

3.1 Identification of new ideas for project proposals

To prepare the local stakeholders for a new call for project proposals and to study the situation in developing regions on regional development prospects, during the first semester 2011, the RDAs paid particular attention to activities aimed at identification of ideas for regional projects.

Thus, in the development regions training sessions and workshops were carried out, attended by first and second level local authorities and other regional actors. The aim of these measures was to explain the importance of generating ideas for projects with regional impact and building partnerships within projects, which should streamline the process of acceptance/approval by hierarchical higher institutions.

During these activities, a number of project ideas have been identified. The largest share of projects ideas were those targeting physical infrastructure rehabilitation. It should be noted that energy efficiency project ideas were also submitted during these activities. So far, however, the energy efficiency has not been defined as a priority in the regional development strategies for the North, Center and South. At the stage of strategy updating, the inclusion of this priority will be considered as well.

To support the local authorities, the implementation of “Capacity Development for Regional Development and Cross Border Cooperation in Moldova,” funded by the German Government through GIZ for a period of two years, started at the end of 2010. The project aims at improving the quality of regional and cross-border cooperation, learning the main financing instruments available for NFRD and EU funds for cross-border and cross-national programs, as well as the specific application procedures by enhancing the capacity in development of regional and European projects.

The training program “Development of cross-border projects” within the project will take place in two phases. The first phase took place in DR North and ended in December 2011. The project was implemented by the Regional Assistance and Information Centre for NGOs CONTACT-Balti. Following the seminars, several project concepts that would be submitted for NFRD funding and EU programs were identified. The second phase of the project started in DR Center and South in late December 2011 and it will end in January 2012. Avensa Consulting was appointed to implement the project. The training modules of the program are organized in the context of launching the second call for project proposals under the Joint Operational Program Romania-Ukraine-Moldova 2007-2013.

Also, in October, under the Joint Operational Program Romania - Ukraine - Moldova 2007-2013, in DR South, the Public Administration Academy, in partnership with MRDC and RDA South, through the “Strengthening Local Public Administration according to EU standards and practices” project, funded by the EU, organized training sessions to strengthen the capacity of local governments for project management and development. The training sessions were attended by representatives of local governments of Cimislia, Leova, Basarabeasca, Causeni and Stefan Voda rayons.

3.2 Development of project proposals

According to the pilot call for regional development project proposals in 2010, 135 proposals for rehabilitation of physical infrastructure were received in regards to support for development of small and medium rural businesses, environmental activities and tourist attractiveness.

Based on DRC decision, the following were included in the ROP:

- 28 project proposals for DR North
- 62 project proposals for DR Center
- 29 project proposals for DR South

Of all submitted project proposals, 56 were included in the SPD, including:

- DR North - 19
- DR Center - 23
- DR South - 14

Projects included in the SPD and funded from the NFRD are monitored by RDA and MRDC throughout the period of their implementation.

During the reporting year, a number of activities aimed at developing projects included in the ROP and SPD were carried out in order to prepare them for financing from the NFRD. Thus, the RDAs held several working sessions with the participation of applicants for improvement of submitted projects.

Following these activities at its meeting on April 26, 2011, the NCCRD approved another seven projects for NFRD funding, including:

- two projects for DR North
- one project for DR Center
- four projects for DR South

For implementation of projects included in the ROP, there are constant measures taken to identify new donors, both national and international.

Thus, following submission of several project proposals to the Czech Embassy concerning DR North regional actors capacity building, the project “Importance of feasibility studies to strengthen regional development process in Moldova,” submitted by RDA North, was selected. The overall project objective is to strengthen local capacity in developing feasibility studies for investment projects.

An output of this project was the booklet “The Basics of a Feasibility Study,” developed in partnership with the NGO “Consult Project.” The brochure answers questions such as: requirements for a feasibility study (structure, contents, chapters), how to draw up specifications, possible funding sources and how to obtain them.

3.3

Providing support to RDAs in regional development projects implementation

In accordance with the Budget Law for 2011, as subsequently amended, 134.3 million lei were allocated to the NFRD. By NCCRD decision of November 14, 2011, the NFRD funds were distributed as follows:

- 128,806,580 lei - for implementation of regional development projects approved for financing;
- 5,450,680 lei - to ensure the activity of the RDAs.

Thus, the implementation of that decision, at the expense of NFRD, was initiated during the 2011 implementation of 21 other regional development projects including seven projects in each of the regions - North, Centre and South.

With the support provided by GIZ, RDAs implement five other projects of 14.8 million lei (RDA North - two projects, RDA Center -two projects, RDA South - one project).

The 26 ongoing projects are divided into the following types of projects:

- | | |
|--|---------------|
| • Household waste management | – 8 projects; |
| • Water and sewerage | – 7 projects; |
| • Roads | – 6 projects |
| • Energy efficiency | – 2 projects; |
| • Support to small and medium business | – 1 project; |
| • Attractiveness for tourists | – 2 projects; |

To ensure the successful implementation of regional development projects, implementation agreements were concluded between actors in the process; competitions were conducted to employ and subsequently train the project managers. Funding agreements were concluded with GIZ to implement projects accepted for funding by GIZ.

Development of Implementation Plans for the approved Projects

To ensure a stable and balanced implementation of projects and funding guarantee, implementation plans have been developed for all regional projects that were funded in 2011 both from the NFRD and GIZ sources.

The DRIDR held several work sessions and study visits to establish the implementation plan structure to determine the responsible counterparts and to set deadlines. So far, the development and approval was ensured for the implementation plans for all projects approved for funding.

The GDRD monitors the execution of works according to the implementation plan.

Also, during the reporting period GDRD facilitated the launch of regional development projects with approved funding, coordinated the activity within the events, ensured their coverage through regional and national media and ensured priorities and objectives for regional development policy implementation were presented.

When projects were launched, plans were presented and implementation agreements were signed. The responsibilities of the RDA, the applicants, and the beneficiaries of project implementation were established.

Development of financing plans for projects approved for funding

In order to ensure a plan for the efficient use of funds allocated from the NFRD, the RDAs received support in developing their financing plans for approved projects and in the financial management of projects.

The financing plans have been approved by the minister, then registered with the Ministry of Finance, and entered into the data basis of the Ministry computing center. The financial plans for the projects and for the operating costs of the RDAs were sent to the agencies.

Organization of procurement, including preparation of tenders.

The RDAs received support in correct application of the legal provisions regulating public procurement, construction and design works.

During the reporting period, the GDRD specialists responsible for procurement made several visits to RDAs where they provided advice to procurement specialists in drafting procurement documentation. After having prepared the tender documents, together with procurement specialists of the RDAs, the tender documents were presented at the PPA to be published in the Public Procurement Bulletin.

The person responsible for procurement within the GDRD is included in the working group with the right to an advisory vote on procedures for opening and evaluation of tenders.

During 2011, the procurement specialists attended three specialized seminars covering the following topics:

1. International seminar on public procurement of construction works and services;
2. Training organized by the Public Procurement Agency "Digital data basis of procurement. Pilot project;"
3. Associations of contracting authorities (civil contract).

With GIZ support, a number of trainings for procurement specialists of the RDAs were organized and support was provided in solving the problems that occurred during procurement organization.

Using public procurement, the agencies appointed working groups and signed contracts with economic agents for execution of construction and/or design works, procurement of goods and provision of services within regional development projects.

Following organization of 96 procurement procedures, 73 procurement contracts were signed for design, construction and procurement of goods and services for implementation of regional development projects, worth 165,991,970 lei. NFRD sources financed 161,661,090 lei of the project and GIZ financed 4,330,900 lei of the project.

In developing public procurement contracts, the MRDC paid close attention to the rights and obligations of the participants.

All RDAs were subject to file controls to verify the correctness of public procurement procedures. For each procurement procedure a protocol was developed, where the main errors were identified and a number of recommendations were formulated.

Monitoring of correct use of funds by RDA

The RDAs received DGDR support in development of activity plans and annual budgets. In April 2011, they were approved at the meeting of the NCCRD.

To ensure the correct application of financial accounting law, the employees of the RDAs in charge of accounting were invited to attend training seminars. During these training sessions, the participants received the necessary consultations and were provided answers to their questions.

Also during the reporting period, the RDAs received continuous methodological and advisory support in accounting and financial management. In this context, the following measures have been taken: evaluation and monitoring of accounting procedures applied by the agencies, identification of irregularities in performing accounting transactions, advisory support in dealing with irregularities and technical assistance to RDAs in planning their activity aimed at budgeting for 2011 for their operational activity.

It is noteworthy that in 2011 the Court of Accounts conducted the audit of NFRD resource management accuracy for the 2010 budget year. According to the court report, approved on August 18, 2011, the financial and property statements reflected in RDAs financial reports have, in all material respects, an adequate and appropriate image for the financial year ending on December 31, 2010.

Checking compliance of the allocated amounts with the volumes of work executed under ongoing projects.

Procurement within regional development projects is carried out in accordance with the national legislation on public procurement. The project expenditures are carried out within the approved budget and financing plans. The disbursement of funds is made after receipt of the work documents or other confirming documents has been submitted. Thus, the RDAs are in compliance of amounts established by NCCRD decision on allocation of funds, with regard to the approved financing plans and the signed contracts.

In order to avoid possible duplication, a monitoring system was developed under which the DRIDR kept track of allocations of resources, submitting monthly reports on the stage of use to the ministry. At the same time, the employees of the DRIDR made several site visits to verify the work execution process, provision of goods and services in regional development projects.

To ensure the proper quality in execution of design and construction works, two training sessions were organized in regional development projects for RDAs officers. They learned about the regulatory framework governing the construction sector in the Republic of Moldova, the stages of design process and the stages of construction. Also, the obligations of beneficiaries and of the operators under construction law and the penalties provided for breach of the law's provisions were explained to the participants.

For implementation of projects financed from NFRD sources, funds in the amount of 117,660,500 lei or 91.35% of the planned amount as of November 14, 2011 has been used. For operational expenses of the RDAs, 5,323,280 lei or 95.83% has been used, as of the same date.

Table 3. Degree of NFRD sources use in 2011

No.	Name of the RDA	Project implementation			Operational expenditures of the RDA			Total		
		Planned	Used	Degree of use %	Planned	Used	Degree of use %	Planned	Used	Degree of use %
1.	RDA North	43805.7	39424.27	90.0	1745.01	1665.51	95.44	45550.71	41089.78	90.21
2.	RDA Center	36822.14	34604.10	93.98	1736.50	1651.47	95.10	38558.64	36255.57	94.03
3.	RDA South	48178.74	43632.14	90.56	1969.18	1906.30	96.81	50147.92	45538.44	90.81
Total, Thousand lei		128806.58	117660.50	91.35	5450.68	5223.28	95.83	134257.26	122883.78	91.53

The failure to fully use the NFRD sources is determined by:

- approval of the financial plan of the RDAs in May 2011 (because of delayed approval of the state budget law for 2011).
- delayed registration of tender documents by the Public Procurement Agency during January - April 2011.
- certain difficulties in project implementation and the need to amend and approve project documentation
- failure of some economic agents to observe the work execution schedule.

The degree of NFRD sources use for regional development projects is presented in Appendix 2.

▼ Bridge over Cogilnic



3.4 Completed Projects

The first successfully completed regional development project in the country was implemented in the town of Basarabeasca. The project “Renovation of the bridge across Cogalnic river on Matrosov street and of local road section adjacent to the international highway Chisinau -Tarantino - Odessa in the town of Basarabeasca” is a model for implementation of regional development policies that created the conditions for transit transport of about 100,000 inhabitants of Basarabeasca, Cimislia, Hincesti rayon, and of Chisinau, the village Cioc - Maidan (Gagauzia), the village Tvardita, Taraclia rayon, crossing the border with Ukraine through the international point “Basarabeasca - Serpnevoe”. This project was implemented in 45 days and cost about two million lei, money allocated from the NFRD.

3.5 Review of RDAs Operational Manual

Based on the gained experience and the lessons learned on implementation of regional development projects, as well as taking into account the recommendations of the Court of Accounts, the employees of the GDRD initiated the review of RDAs OM during the reporting period. Sections concerning the financial and human resources management within the RDAs, procurement, internal and external communication, cooperation with development partners, identification, development and implementation of projects were analyzed and developed.

Thus, by the order of the Minister of Regional Development and Construction of August 16, 2011 the RDAs Operational Manuals were approved.

In 2012, the activity of completing and improving the content of the RDAs Operational Manual will continue.

Ensuring transparency in the implementation of regional development policy

4.1 Updating the website of MRDC and monitoring the update of RDAs web pages. Monitoring the organized events

To ensure transparency in the implementation of regional development policy, the MRDC published/posted on its website the main events that took place in this field. These include: approval for funding by the NCCRD of 21 regional development projects, launching of projects in the three regions, study visits, travel abroad for the exchange of experience, taking over of the best practices, participation in conferences, forums, co-operation with development partners, publication of employment notices, meetings of the foreign assistance coordination council, meeting with experts on areas within the EU Strategy for the Danube Region, and conferences organized by MRDC.

Moreover, on the websites of both the MRDC and the RDAs information is placed covering the following: plans and progress reports, ongoing projects, development partners, projects approved in SPD, promotional materials, studies and their analysis.

On the RDAs websites, the process of regional development projects implementation is permanently covered. Also, the RDAs publish on their website the monthly newsletter "Regional Development," which reflects their activities and the important events in the region.

4.2 Development of Visual Identity Manual

The Visual Identity Manual for regional development in Moldova will contain a system of instructions, rules and recommendations for application and development of basic visual elements of the entire regional development process: visual signature (logo + slogan), acceptable colors, fonts, visual attitude and tone. To develop this manual, Terms of Reference were submitted and a consultant was hired. Currently, the design for the main materials used to promote the projects and the image of the regional development is being finalized. In this context, formats for personalized objects and materials are developed and presented. Sample banners, stickers, CDs, Power-Point presentation and cover for the catalog/guide/folder have been developed and/or are currently being developed.

At the same time, seven brochures were developed to promote the agencies, regions and activities in the field, with the following titles:

1. Regional Development. Imperative for a European Moldova.
2. Welcome to the Development Region South.

3. Welcome to the Development Region Center.
4. Welcome to the Development Region North.
5. Regional Development Agency South. Your partner in the Development Region South of Moldova.
6. Regional Development Agency Center. Your partner in the Development Region Center of the Republic of Moldova.
7. Regional Development Agency North. Your partner in the Development Region North of the Republic of Moldova.

4.3 Europe's Day at the RDAs

In connection with Europe's Day, during two weeks in May, the MRDC, in collaboration with RDSs North, Center and South, organized a series of events dedicated to this holiday. On this occasion the Open Doors Day was organized in all RDAs. In Balti, a students' conference dedicated to Europe Day was held and a roundtable covering the topic: "Investment opportunities in DR North of Moldova for Romania and other EU countries" was organized.



^ Europe's Day in Balti

A thematic newsletter has been created and web pages of the RDAs and the MRDC were provided with a distinct look with EU symbols. During these activities, the MRDC and the RDAs promoted the achievements in the regional development and made this area known to the broader public. This helps the citizens to be able to see and learn about the role, the tasks and the activities of the RDAs.

4.4 Participation in exhibitions

The MRDC participated in "Moldconstruct" and "Tourism: Leisure and Hotels" exhibitions which had seminars available for everyone. During the last exhibition, the MRDC organized a round table where it presented the DR's tourism potential and the projects



^ Roundtable at Moldexpo where the regions' tourism potential was presented

that promote tourism. The event was organized in collaboration with ANTREC and with participation of the National Tourism Agency.

4.5 Collaboration with the media

The information and communication regional development activities fell under two categories. The first one included the information and communication actions aimed at promoting regional development objectives, promoting the regions, ensuring transparency in the use of NFRD sources and promoting the activity of the MRDC and RDAs. The second category included information and communication activities undertaken in the context of specific regional development projects of the RDAs.

Significant promotion activities are carried out through electronic media and social networking, as well as information distributed via email which establishes direct contact with regional actors, institutions and organizations interested and involved in regional development.

In order to promote regional development and the activity of the RDAs, the agencies organize and hold joint events with the general public, representatives from the media and both levels LPAs. These events include seminars, conferences, and workshops. During the joint events both the results and the prospects for regional development are outlined.

The RDAs signed several cooperation agreements with representatives of media sources to ensure the efficient and correct dissemination of information to different target groups in developing regions.

The many activities of the RDAs in 2011 can be found in the press releases of local, regional, and national level media and contain information and education for the general public.

Implementation of effective, transparent monitoring and evaluation of regional development policy

5.1 Development and implementation of monitoring and evaluation of regional development policy

To implement the system, a methodology was established for monitoring and evaluating regional development support and is part of the OM of the NFRD and RDAs. It provides procedures for monitoring, evaluating and reporting implemented and ongoing activities.

During the year, based on experience and lessons learned in implementing regional development policy, changes have been made RDAs OM, which were subsequently approved by the order of the Minister of Regional Development and Construction of August 16, 2011.

At the same time, by the Order of the Minister on September 28, 2011, the instruction on monitoring and evaluation of regional development support measures was approved. This instruction is a guide in monitoring and evaluating regional development policy, which explains the monitoring and evaluation levels, the reporting levels and responsibilities, the monthly, quarterly, annual report forms for the monitoring of regional development projects and programs and monitoring indicators.

The reporting forms for monitoring regional development projects were developed in active cooperation with RDA accountants to identify and establish notions according to accounting documents.

In order to define criteria for determining regional development disparities and establish the mechanism for allocating public funds among developing regions, the activities were carried out in cooperation with the ME for the purpose of applying SADI and with the NBS to develop regional statistics.

To identify the regional monitoring indicators, the MDRC together with the NBS are involved in the Pilot Program for Regional Development and EU-12 Program, both financed by EU funds. Under these programs, the project proposal was submitted on development of regional statistics, which was accepted for funding. Also, these programs will examine the possibility to create and develop the automated information system for regional profile data.

5.2 Monitoring and evaluation of the NSRD implementation

According to the GD no. 158 of March 4, 2010 on "Approving the National Strategy of Regional Development," reports were presented to the government and the NCCRD

members on the NSRD monitoring during January and February. These reports reflect the activities implemented by the regional development agencies in 2011 to implement the national regional development policy.

Also during this period, reports were produced on the implementation of the regional development policy reflected in GRM programs and plans of activity.

Proposals were submitted for the development of the MRDC Activity Plan for 2012, which is consistent with the activity plans and programs of the government and the European Union integration aspirations of Moldova.

It is worth noting that during the reported period, the MRDC spoke to the Parliamentary Committee on regional development policy implementation. During these hearings, the MRDS reported on: execution, functionality and efficiency of the law on regional development no.438 of December 28, 2006, the process of NSRD development, attracting of domestic and foreign assistance programs, establishing the institutional framework of regional development and the activity of the RDC.

5.3 Monitoring and evaluation of the regional development strategy implementation in the North, Center and South

The monitoring of regional development strategies is done by RDA reporting on execution of the annual work plans of the agencies. Thus, during the reporting year, the RDAs reported on the implementation of the annual work plans for 2010 and implementation of those plans for the first half of 2011. The RDAs reported on the successes and failures in implementing the strategies.

The information from the RDAs reports on the RDS implementation was synthesized into a joint report that was presented to NCCRD members, placed on the website of the MRDC, and simultaneously disseminated to development partners.

5.4 Monitoring and evaluation of the regional development project and program implementation

During the reporting year, 26 regional development projects were monitored, including 21 projects funded by the NFRD sources and five projects funded by GIZ under the project “Modernization of Local Public Services in the RM.”

The project monitoring has been based on regular visits to the project site by the project managers. The result of these visits is reflected in memos and reports.

To monitor the regional development project, monthly and quarterly reporting forms on project implementation have been developed. Also, monitoring indicators were developed by project types, reflecting the priorities specified in the RDS North, Center and South. At the same time, baseline data for project monitoring were collected for projects approved for financing from NFRD and from other sources.

To this end, workshops were held in the RDAs, where consultations were provided for collecting qualitative baseline indicators to be used for project monitoring.

Beginning with the second quarter, the RDAs submitted quarterly project monitoring reports according to the approved forms of reporting. As a result of reporting, field visits were made to explain and clarify mistakes in the reports.

According to GD no. 772 of August 26, 2010 “On approval of the Single Programming Document,” in the first half of the year reports were submitted to the government on monitoring and implementation of projects included in the SPD.

Strengthening capacities of national and regional stakeholders in the successful implementation of regional development strategies

During 2011, the MRDC ensured the development of a common framework for cooperation and strengthening of the capacity of the regional stakeholders to ensure a better absorption of structural and national funds for regional development projects. The capacity building for regional stakeholders was achieved through a variety of events, training seminars, workshops, thematic conferences and project launches, jointly conducted by the RDA with the MRDC staff for the members of the RDC, representatives of local governments, beneficiaries of ongoing projects, businesses and NGOs. Promotion of relevant information on these events took place entirely in media sources.

To strengthen the institutional capacities of their RDAs, by the NCCRD decision of April 26, 2011, the RDAs staff was increased. As a result of competitions launched by the RDA, there are currently 15 employees working there.

6.1 Developing the annual training plan, based on training needs assessment report prepared by external experts

The annual training plan for regional development agencies was developed based on the training needs assessment for 2011. This provides for a number of training subjects, purposes and objectives to be given to the participants during the organizational period. The plan was also developed based on proposals received from the RDAs.

Also, to encourage the RDAs to take decisions independently, the GDRD proposed to the RDAs to develop their own training plan as well as setting the target groups of RDA employees, local governments and NGOs in the region. These plans were developed for a period of one year and one month.

In this context, it was decided that the RDAs should prepare reports on training sessions and other events organized for regional stakeholders' capacity building, mentioning the participants in tabular form. These reports are submitted quarterly and the data are analyzed and included in bi-annual and annual reports on NSRD implementation.

6.2 Developing training sessions in accordance with the Annual Training Plan

The plan was implemented in close collaboration with the regional development institutions, as well as with the development partners of the MRDC. In this context, the current training needs of the RDA employees were taken into account. Then, training



^ Visit to the water treatment plant, Călărași

sessions were developed to meet the needs of the employees, in addition to the training sessions included in the Annual Training Plan for 2011,

In May 2011, in accordance with NCCRD decision, the staff of the RDAs was increased by adding specialists in strategic planning and programming, project management, communication and accounting. Thus, the staff of the RDAs increased from six to fifteen people. The new staff had to be trained in such a way that they will be able to consult other stakeholders involved in RD (first and second level LPA, RDC members and the public).

Thus, during the year, several training sessions were held which were attended by all employees of the RDAs, employees of GDRD, employees of other subdivisions of the MRDC, central and local authorities as well as representatives of non-governmental and business sector. Also, other major events to increase the capacities of regional development agencies were held. The training sessions were held in various forms such as informative seminars, workshops, roundtables and study visits organized by the MRDC and other ministries responsible for areas related to regional development, the development partners DFID, GIZ, EPTISA and public organizations.

In November, the RDA Center organized a study visit under the project “Ensuring sustainable development and preventing pollution of natural resources by reconstruction of the wastewater treatment plant, reconstruction and extension of water and sewerage networks,” implemented in Călărași. Among the participants at these visits there were representatives of first and second level public authorities, representatives of municipal enterprises and utilities providers from the Central Development Region (RDC). The overall objective of the visit was to exchange knowledge and experience in water supply and sewerage at municipal and regional level.

6.3 Collaboration with other divisions of the ministry, with other authorities and public institutions in the training process

Both other divisions of the MRDC and other specialized central public administration authorities were involved in the training process, including: the State Chancellery, Ministry of Economy, Ministry of Finance, Ministry of Environment, Ministry of Transport and Road Infrastructure, Ministry of Agriculture and Food Industry, National Tourism Agency and others.

The representatives of these institutions participated in training sessions in various forms, as trainers or trainees.

6.4 Launch and organization of national and regional events

During the reporting year, the basics of organization of international conferences were started, aimed at establishing the degree of implementation of the regional policy, in terms of achievements, opportunities and problems faced by authorities responsible for implementing the policy. The event will take place during 2012, if the Ministry receives the necessary funding by donors/development partners. The conference will be attended by representatives of central, regional and local level institutions, as well as international experts in regional development issues.

National conference on regional development

On January 28, 2011 the National Conference “Achievements and challenges in regional development in the context of international cooperation” was held, involving all stakeholders in regional development, namely: the Prime Minister of Moldova, NCCRD members, representatives of local and regional governments, and representatives of NGOs, development partners, the business sector. The purpose of the conference was to assess progress in RD, mapping new objectives in RD for 2011. Also, the conference marked the closing of the DFID/SIDA Project “Moldova: Cooperation in Regional Development.” This project provided support to the government during the years 2008-2010 in the launch of the regional policy and institutional capacity building to implement this policy.

✓ National Conference “Achievements and challenges in the regional development in the context of international cooperation”



National Conference entitled “Harmonization of local socio-economic development strategies with the national sectoral strategies.”

On October 27, 2011, the National Conference “Harmonization of local socio-economic development strategies with national sectoral strategies” was held, involving all relevant stakeholders such as representatives of the State Chancellery, Ministry of Environment, Moldova Water Agency, Regional Development Agencies North, Center and

South, chairmen of district councils, development partners, and NGOs working in water supply and sewage management systems.

During the conference, the vision of the MRDC and ME on implementation of national strategy objectives in local and regional strategic documents was presented. At the same time, the participants were informed about the preliminary results of the methodology applied in the process of updating local socio-economic development strategies of Riscani and Cahul rayons and the water supply and sewerage component.

6.5 Collaboration with development partners to contract experts/trainers and consultants in various fields

To ensure the implementation of the annual training plan and annual activity plans during 2011, the regional development institutions were supported by GIZ. Thus, there are four experts in project implementation working at the RDAs on a permanent basis. Also, two short-term experts were hired to provide advice on financial management and procurement.

In this context, a project proposal was submitted to the Czech Embassy in Chisinau for technical assistance in regional development. Thus, the MRDC was able to obtain funding to conduct sessions, contract experts in various fields and make study visits outside the country.

6.6 Organization of training in cross-border cooperation

Under “Capacity Development for Regional Development and Cross Border Cooperation in Moldova” project, financed by GIZ, the DR North held a series of seven training sessions.

To implement this project, the region was divided into three micro-regions, with centers in Balti, Soroca and Edinet. The project was implemented by the Regional Assistance and Information Centre for NGOs CONTACT-Balti. The project is aimed at improving the quality of regional and cross-border cooperation, learning the main financing instruments available for NFRD and EU funds for cross-border and cross-national programs, as well as the specific application procedures by enhancing the capacity in development of regional and European projects. The project beneficiaries were first and second level LPAs in the North development region.

Monthly, during seven months in 2011, seminars were organized in each of these three micro-regions. Following these seminars new project concepts that would be submitted for funding from NFRD and EU programs sources were identified.

Currently, a training program “Development of Cross-Border Projects” is being held under the “Capacity Development for Regional Development and Cross Border Cooperation in Moldova” project, involving first and second level LPAs from the Center and South development regions. The purpose of this program is to improve the quality of cross-border projects in the development regions. It is organized in the context of launching the second call for proposals under the Joint Operational Program Romania-Ukraine-Moldova 2007-2013.

Efficient cooperation with development partners in attracting and implementing investment and technical assistance projects

Much of the MRDC activities undertaken during 2011 were made with support received from development partners. With that support, several seminars on various topics were organized and attended largely, by all staff involved in the process of national regional development policy implementation. Staff also attended internal training within the GDRD and agencies, supported by local and international experts, contracted by development partners.

7.1 Establishment of areas of assistance from development partners

During the reporting period, the cooperation with various international development partners in implementing regional development projects and programs was strengthened, including with:

- EU Delegation to Moldova
- Department for International Development of the Great Britain and Northern Ireland (DFID)
- German Development Cooperation (GIZ)
- United States Agency for International Development (USAID)
- US Peace Corps
- Swedish International Development Cooperation Agency (SIDA)
- Romanian Embassy
- Czech Embassy
- Polish Embassy

The regional development institutions ensured the successful implementation of a number of technical and financial assistance projects in the implementation of regional development strategies. Thus, implementation of the following projects continued:

- “Waste governance – ENPI East,” financed by the EU and implemented in Development Region South
- “Modernization of Local Public Services in the Republic of Moldova,” financed through GIZ for implementation of five regional development projects in the three development regions

- “Capacity Development for Regional Development and Cross Border Cooperation in Moldova,” financed through GIZ and implemented in RD North in partnership with RDA North
- “Moldova: Cooperation in Regional Development,” financed by DFID/SIDA, which ended in February 2011

Also, to implement the national regional development policy of Moldova during 2011, several negotiations were carried out with various bodies, both national and international to establish various forms of partnership. As a result of these negotiations concrete decisions were taken.

7.2 Twinning Project “Capacity building in regional development in Moldova”

The project is funded by the EU and starting in the first half of 2012 it will be implemented with the support of counterpart ministries in France and Romania in partnership with sectoral ministries in Moldova.

During the year, the obligations, rights and responsibilities of each party were established during various meetings. In late November the contract was signed by the project leaders of both countries. For notification, the contract in four originals was submitted to the EU Delegation in Chisinau.

The overall objective of this project is to support the development and implementation of the Regional Development Policy in Moldova.

The project purpose is to strengthen the institutional capacity of the Ministry of Construction and Regional Development, the National Coordination Council for Regional Development and the National Fund for Regional Development.

The mandatory results to be achieved by the project are:

1. Improved institutional structure, legislative and regulatory framework for regional development.
2. Territorial Planning and Regional Development Integrated into one planning framework
3. Strengthened capacity of the MCRD and NCCRD to address regional development planning.

Maximum project duration is 24 months. Currently, the contract and the project implementation plan are pending signing.

7.3 DFID/SIDA Project “Moldova: Cooperation in Regional Development.”

At the beginning of 2011, one of the main development partners of the MDRC, the project “Moldova: Cooperation in Regional Development” funded by the Government of the United Kingdom of Great Britain and Northern Ireland, represented by DFID, and the Government of Sweden, represented by SIDA, ended with an international conference, where other existing development partners or those who are planning to start some collaboration were invited. As a result, six studies on different topics were obtained, including a comprehensive analysis of the current situation concerning the regional development and concrete recommendations proposed for implementation to improve and streamline the implementation of regional policy.

7.4 Local and regional development program in partnership with USAID.

During the reporting year, a number of meetings and discussions with representatives of USAID office in Moldova were held to establish a partnership in implementing a new local and regional development program. In July 2011, a working group of representatives of the Regional Mission for Ukraine, Moldova and Belarus as well as U.S. representatives visited Moldova to work on the first stage of the “Public Expenditure and Financial Accountability Framework (PEFAF), Quick Assessment.”

- USAID committed to help strengthen Moldova’s capacity to improve the effectiveness and sustainability of foreign assistance. In this regard, USAID in Moldova wants to explore the possibility of working with the Government of Moldova, in particular with the NFRD and the RDAs. Thus, USAID will come with a budgetary support to NFRD, if all assessments are carried out successfully and Moldova shows the capacity and the ability to effectively manage money and the support provided.

7.5 Cooperation Agreement with the U.S. Peace Corps in Moldova.

During the reported period, the cooperation agreement with the US Government Agency, U.S. Peace Corps in Moldova, was signed. Through the “Development of Agribusiness and Rural Business,” RDA North and RDA Center receive technical assistance in organizational development. These agencies have one Peace Corps volunteer each, working on local and regional development. The project will also help create local and regional partnerships in regional development. The volunteers assist the RDAs staff in the implementation of current activities and perform transfer of experience and knowledge in the field.

7.6 Technical assistance provided by the Swedish International Development Cooperation Agency

The technical assistance in regional development will be provided by the Swedish International Development Cooperation Agency in the amount of 3.6 million lei.

As a result of discussions with SIDA representatives in Chisinau, the ongoing GIZ project “Modernization of local public services” was extended with co-financing by the Swedish Government. The overall objective of the proposed collaboration is to improve the equitable access of citizens of the three development regions North, Center and South to the main public services. The proposed areas of intervention of the Swedish contribution to GIZ project will be:

- Updating Regional Development Strategies with the Regional Operational Plans
- Developing Project Pipe Lines and Investment Fiches
- Building the capacity of the Regional Development Agencies
- Building the capacity of the Regional Development Councils

7.7 Romanian grant provided to the Republic of Moldova.

Under a technical and financial assistance program, Moldova will receive a 100 million euro grant provided by Romania.

The rules and the applicant's guide for implementation of the agreement signed between Romania and the Government of the Republic of Moldova on implementing this program are pending for review and approval by the Romanian side.

7.8 The pilot program for regional development within Eastern Partnership

In 2011, the Pilot Program for Regional Development within the Eastern Partnership Chişinău-Bruxelles for 2012-2013, funded by the EU in the amount of seven million euro was launched. The program will contribute to structured implementation of short-term programs that will support economic, social and territorial cohesion of the Eastern Partnership states (convergence in the partner countries) and will provide assistance to support economic integration of the partners with the EU by supporting their economic development (convergence with the EU). This program will focus on two components:

- regional statistics and regional planning;
- identification of projects.

7.9 EU-12 Program

The EU-12 Program is a new European Commission initiative aimed at increasing the effectiveness of assistance provided by EU Member States (the 12 new member countries) to developing countries.

It was recognized that the joint EU efforts in improving the assistance bring better results than the separate activity of the member states and of the commission. The following States accepted to finance projects: Slovakia, Estonia, Romania, Czech Republic, Latvia, Poland, Lithuania and Hungary.

The projects selected by countries within the EU-12 Program are:

- Civil society development. The purpose of this project is to strengthen the civil society for good governance at local level, to combat corruption among local government employees and to adopt reforms that will ensure a balanced development of all regions of the country.
- Twinning Project for RDAs and DRCs to build the capacity of the RDAs, to update the regional development strategies and to link the National Strategy for Regional Development with sectorial strategies, including the necessary methods, steps and tools for developing and updating strategies.
- Building the capacity of the National Bureau of Statistics on regional statistics to provide the most efficient cooperation with the National Institute of Statistics of Romania in order to take up best practice and share experience.

These projects were identified during the three workshops held in Chisinau under the EU 12 Program, with representatives of sectoral ministries, relevant NGOs and representatives of countries that expressed willingness to be involved in financing and implementation of certain projects in the area.

7.10 Cooperation with German Development Cooperation GIZ Moldova

GIZ is an international organization offering viable, perspective solutions for the economic, social and environmental development in the globalized world. GIZ supports

complex reforms, change processes and helps improve the living conditions and prospects.

The project “Modernization of local public services in the RM” is implemented by MRDC in partnership with GIZ through RDA North, Center and South. The partners of the project are also first and second level LPAs. **The project duration** is five years, divided into two stages: First stage: January 2010 – June 2012; Second stage: July 2012 – December 2014. **Currently the project budget** provides for up to three million euro.

Under this project, five projects are implemented with GIS support, worth 12.5 million lei:

- Development Region North - 2
- Development Region Center - 2
- Development Region South - 1

Workshops were held and attended by project applicants and beneficiaries, during which technical solutions for project implementation were identified and the plans of their and other projects’ implementation were discussed.

The Project “Capacity Development for Regional Development and Cross Border Cooperation in Moldova,” also implemented with GIZ support, aims at strengthening the capacity for regional development and the skills of the regional and local authorities from the Northern part of Moldova in preparing and implementing an efficient cooperation with its partners in the region. The project duration is two years (05/2010 - 04/2012). Total costs amount to EUR 290,000.

The GIZ project also provides assistance for developing the Visual Identity Manual of the MRDC.

7.11 Cooperation with the EU project “Waste governance - Eastern ENPI”

The MRDC, in partnership with the Spanish international consulting company EPTISA through RDA South, implements the project “Waste governance - ENPI East.” The total budget of this regional project amounts to EUR 5.9 million (94.4 million lei) funded by the EU.

The project aims to reduce the risks arising from inappropriate management of waste by promoting sustainable consumption and advanced production practices. This will increase social benefits by improving waste management and promoting advanced standards concerning the waste treatment capacity, development of collection and sorting systems, increased of reuse and recycling and safe disposal of waste.

The project contributes to implementation of “*Increased efficiency of solid waste management in the South region,*” launched in the rayonal centers of DR South. For the first time the selective waste collection service was introduced in eight cities and selective waste collection systems will be developed. At the same time, public information and awareness campaigns will be carried out under the project to inform people about the danger of unauthorized dumps and the need to actively participate in creating an effective mechanism for waste collection and disposal.

7.12 EU Strategy for the Danube Region

The European Union Strategy for the Danube Region joined the national coordinators of the 11 priority areas in the two meetings to discuss the progress of the country with-

in the EUSDR and about the potential project concept to be presented and developed together with other countries in the region. During one of the sessions, the national coordinators of the Republic of Moldova and Romania met to discuss the participation of both countries in implementing the strategy and the specific features of projects to be submitted. Moreover, Romania shared its experience in strategy implementation and introduced the institutions dealing with the strategy.

7.13 RDAs support in development and implementation of relevant EU regional development programs

In this context, the DR North held the training cycle under the project “Capacity Development for Regional Development and Cross Border Cooperation in Moldova,” funded by GIZ (see section 6.6 for details).

Cooperation with representatives of the RM National Focal Point of the cross-border cooperation programs financed by EU

During the reporting period, the regional development institutions held cooperation relationships with the national focal point to inform the officers responsible for regional development projects on specific cross-border programs, about calls for project proposals and the deadline for their and other projects’ submission.

The MRDC actively cooperates with the Joint Managing Authority and the Joint Technical Secretariat within the Cross-Border Cooperation Program Romania - Ukraine - Moldova. In June, the representatives of the ministry participated in two forums in Chisinau and Odessa, Ukraine. The forums brought together representatives from the three countries involved in the program. The purpose of these events was to facilitate identification of partnerships between organizations in the eligible area under the program in the context of the next call for proposals.

Presentation of a strategic project for cross-border cooperation program of the MRDC

The MRDC has initiated several initiatives to submit project proposals to EU programs.

Thus, cooperation was initiated with the Eastern Black Sea Development Agency, Turkey, within the “Integrated global business in the Black Sea region” project. The strategic project goal is to initiate direct contacts between the project partners and businesses in their regions and to promote the image of the developing regions of the RM. The MRDC request to participate as a partner in the project implementation was accepted.

Also under the joint Operational Program Ukraine-Romania-Moldova 2007-2013, the project proposal “Prut river: the source of water supply for border villages” was submitted.

MRDC was accepted as a partner in two other projects: “Integrated management of water quality for aquatic ecosystem conservation in the South Eastern Europe” under the Transnational Program South East Europe and the “Black Sea Integrated Business World” under the Black Sea Basin program.

The RDAs are also looking for alternative sources of financing for regional development projects which were funded from NFRD sources. Therefore, the RDA South accepted to be the direct partner in two proposals for funding and associate partner in one other project.

In the cross-border cooperation program, “Black Sea Basin,” RDA South is a partner in the “Networking for sustainable development in the Black Sea region” project, which is an applicant to the Center for Assistance to the Applicant Public Authorities in Chisinau. Its purpose is to create the administrative capacity for the development and implementation of the local and regional development policies by creating and developing an integrated network of the RDAs in the Black Sea region and replicate the best practices and innovations.

A component of this project is the development of management capacity in the support provided by foreign donors and promoting of public-private economic development projects in the region. Beneficiaries of the project are: staff of the RDA South, North and Center, representatives of public authorities and NGOs in the region.

Under the project “Promotion of administrative capacities in working with socially disadvantaged groups,” the applicant, North West Thessaloniki Development Agency Greece, will strengthen the capacity of the local government representatives promote activities with the socially disadvantaged groups. The project seeks to help cross-border partnerships for economic and social development, based on combined resources.

Under the cross-border cooperation Program “South Eastern Europe - the Fourth call,” RDA South collaborated with the institution “Via Donau” in Austria for the “Convention for waste management for inland navigation on the Danube” project. All project activities aimed at developing a draft International Convention for the transportation of waste on the Danube, which will harmonize the waste management shipping along the Danube. Given the fact that there is the international port Giurgiulesti operating in DR South, the RDA considered it appropriate to build skills in this area. Under this project, the RDA will be nominated as an associate partner.

It should also be mentioned that Moldova, participating as a partner in the projects applied for funding from EU programs, is bound to come up with a financial contribution amounting to 10% of the project costs. Unfortunately, it is currently not possible to identify the potential source of contribution payment. Therefore, several project proposals, especially developed by local authorities, with a very limited annual budget, are not accepted for funding. But at the same time, these projects can significantly contribute to the development of communities in our country. This is why the MRDC's proposals mentioned above were rejected.

7.14 Cooperation between RDAs in the Republic of Moldova and Romanian RDAs

The RDA North signed a Memorandum of Understanding with the North-East RDA in Piatra Neamt, Romania.

The main objectives of the Memorandum of Understanding are:

- To ensure a balanced socio-economic development compared to other regions;
- To improve the financial, institutional and human opportunities for regional development;
- To strengthen both institutional structures by strengthening the capacity and sharing the experience;
- To facilitate partnerships between local governments representatives and public institutions working within the development regions of the parties.

The conclusion of the Memorandum of Understanding is intended to create an effective partnership to launch, and subsequently implement, joint actions aimed at establishing



^ **Signing of the Memorandum of Understanding between RDA North, Republic of Moldova and RDA NORTH_EAST, Romania**

a sustainable and successful collaboration between the RDA North, Moldova and RDA North-East, Romania.

During the visit, the representatives of the RDA North, Moldova participated in a two-day training program, which covered the main stages of project management. The gained experience will be applied in the implementation of regional projects.

v **Signing the Cooperation Protocol between DR North, Moldova and DR West, Romania**



Also, relations were established with the RDA West, Timisoara, Romania, by signing the Cooperation protocol between DR North of the Republic of Moldova and the DR West of Romania. The Protocol was signed to create and develop joint energy efficiency projects and to establish partnership relations between the two agencies.

To strengthen partnership with the RDA West, Timisoara, Romania, within the «Generation of the transnational policy impact of energy efficiency solutions implemented locally and supported by the government» under the South East Europe program, the RDA North as an ENPI partner developed the subproject: «Capacity building for regional actors in energy efficiency through transnational transfer of successful practices» in cooperation with Romanian partners. All the requested documents have been sent to RDA West within the agreed terms.

7.15 Diversification of financing instruments and mechanisms of regional development projects

To diversify the financing instruments and mechanisms, the mechanism under which regional development projects can be financed both through NFRD and through direct transfers to RDAs was developed.

An example of project funding mechanism through RDAs is the cooperation with GIZ, which in 2011 initiated the implementation of five projects totaling 700,000 Euros, the amount being disbursed by the development partner directly to RDA's bank accounts.

The procurement for these projects is carried out under the national law on public procurement, which has recently been analyzed in terms of compliance with European practices.

Also, based on this financing mechanism, another development partner, USAID considers the possibility of financing projects and is currently assessing the disbursement of funds for regional development projects.

Exchange of international experience

8.1 Regional statistics study visit to the United Kingdom

The MRDC representatives, together with ME and NBS representatives conducted a study tour to the United Kingdom of Great Britain and Northern Ireland.

The event was organized by the DFID/SIDA Project “Moldova: Cooperation in regional development” with logistic support from *Oxford Policy Management, UK*.

The purpose of the visit was to get familiarized with the organization and use of regional statistics in the UK and take up the best practices.

During the visit the participants learned about the national and regional statistics organization system, statistics governance levels and responsibilities of national and regional statistics.

Also, participants in the study visit learned about the experience of British regional development institutions in the use of regional statistics, by developing different regional economic analyses and making decisions based on regional statistics on the allocation of funds for implementation of investment projects and programs.

▼ Regional statistics study visit to the United Kingdom



The participants in the study visit were informed about British regional policy approaches, about local entrepreneurial partnerships which are currently being created, about EU regional policy and state aid allocated based on statistical data.

8.2**International Conference “Creation and operation of Centers for Provision of Administrative Services in Ukraine,” Kiev, Ukraine**

From 10 - 11 February 2011, the GDRD representative made a visit to the Ukrainian capital to attend the conference “Creation and operation of Centers for Provision of Administrative Services in Ukraine.” The event was organized by the Center for political-legal reforms in Ukraine, the Ukrainian representative of the German Development Cooperation (GIZ) and other donors.

The purpose of the conference was to facilitate exchange of experiences on the establishment and operation of Centers for Provision of Administrative Services (CPAS), development of the network of leading cities in Ukraine, which had established such centers and the common problems arising in the establishment and operation of the CPAS.

The Conference presented the experiences of several cities of Ukraine in the establishment and operation of the CPAS as well as experiences in this area of some cities in Germany, Armenia and Georgia. At the same time, the prospects of government development in the neighboring country were presented, examples of programs and applications to ensure functionality of the CPAS, as well as the support provided by GIZ in the establishment of centers.

8.3**Second International Conference on overcoming of regional disparities, Arandjelovac, Serbia**

In May 2011, the DGDR representatives participated in the International Conference in Arandjelovac, Serbia, organized by the Ministry of Economy and Regional Development in partnership with the Serbian European Integration Office. The conference was attended by more than 200 people from 15 countries.

The key findings and recommendations of the conference on the implementation of regional development policy were exposed in the basic document, which is called Agenda Arandjelovac. Some of the most important recommendations of the conference are related to the development and promotion of central and regional partnerships in the implementation of regional development, national capacity development and commitment for the implementation of EU programs and projects, excluding the development of parallel systems for use of European funds.

8.4**Exchange of experience in Turkey**

From May 4 - 6, 2011, the director of RDA South attended the Partnership Forum of the Joint Operational Program “Black Sea 2007-2013,” organized by the Joint Management Authority of the Joint Operational Program for the Black Sea region 2007-2013 in partnership with the Ministry of Economy of Armenia, the Secretariat General for European Affairs of Turkey and the Regional Capacity Building Initiative (RCBI). The event was held in Istanbul, Turkey. Forum purposes were to facilitate the establishment of sustainable partnerships and development of project ideas in the context of the second call for proposals in the Joint Operational Program for the Black Sea Region 2007 -2013.

During the visit, the eligible partners for project implementation in Turkey, Romania and Bulgaria were identified. The international experts provided advice on the correct development and submitting of project proposals to European programs.

8.5 Exchange of experience in the Russian Federation

From May 31 to June 2, 2011, the director of RDA South participated in the International Conference on treatment and disposal of solid waste, organized by the International Solid Waste Association in Moscow, Russian Federation.

The conference presented the most advanced technologies in solid waste disposal, experiences of advanced countries in this area with respect to public awareness activities in the selective collection of solid waste, construction of large scale platforms and dumps and efficient operation of solid waste recycling plants.

The participants visited the exhibition organized by the host country, where the latest models of containers, trucks, waste water treatment technologies, landfills models and technologies of their constructions were presented.

Concrete steps were taken to establish relations with different companies and potential partners for NFRD beneficiaries. Also during the conference, participants learned about carrying out technical design development work and the implementation of the works themselves in all areas related to environmental protection.

As a result of the visit, new knowledge was obtained on proper solid waste management, information materials useful for agency specialists and project beneficiaries.

8.6 Seminar “Building and managing the development area of the Russian-speaking countries,” Beijing, Shenzhen, China

From June 16 to June 29, 2011, GDRD representative attended this seminar.

During the visit, participants learned the details of establishing and managing economic development zones in China, the policies to attract residents in this area, developing small and medium enterprises, the policies of attracting foreign investment and the measures taken by the Chinese state to ensure sustainable and balanced economic development.

At the same time, some development areas in Beijing and Shenzhen were visited, where the participants were informed about the specifics of their activities, the legal framework regulating the activity of the areas, the responsibilities of institutions involved in ensuring the production process in the areas, facilities to residents and the role of the state and local government in the areas of planning and management.

8.7 Exchange of experience in Romania

From June 27 to July 1, 2011, a specialist in project design, implementation and monitoring of the RDA South participated in Training of Trainers course under the “Fostering local public administration towards the EU standards and best practices” project, held in Iasi, Romania.

The purpose of the training was to train current and potential beneficiaries of the Joint Operational Program Romania-Ukraine-Moldova on the requirements and procedures for project development and implementation.

Following the training, the participants from project partner countries, Romania, Ukraine and Moldova built a common understanding on the preparation and successful implementation of cross-border projects. The participants also became acquainted with practical aspects and examples of projects with external financing.



^ The representatives of Moldova at the training course in Iasi, Romania

8.8 Study visit to Netherlands

A specialist in project design, implementation and monitoring of the RDA South conducted a study tour to the Netherlands during the period July 4 to 23, 2011, where he became acquainted with the country's experience in managing solid waste.

For representatives of Moldova, the course was financially supported by the German Government through GIZ Project "Modernization of Local Public Services in the RM" and brought together waste management specialists from 27 developing countries.

The purpose of the short-term course held at Unesco-ihe, Delft, Netherlands, was to define and implement integrated solutions for the proper management of urban solid waste and to help establish an integral system of solid waste management in Moldova.

The course covered various topics related to technological aspects: waste collection, transfer, recycling, composting, anaerobic digestion, energy recovery, incineration of hazardous waste management and disposal of these wastes. Non-technological aspects were: policy development, legislation, institutional and financial arrangements, stakeholder's involvement and privatization of solid waste management services.

Worldwide solid waste management practices were also presented through lectures, case studies and field visits.

8.9 Study visit to Romania and Germany on water supply and sewage systems and the regionalization of these services

From August 29 to September 10, 2011, the MRDC and RDA representatives participated in a study visit on regionalization of water and sewage services in Romania and Germany. The visit was organized for the representatives of the working group which participates in the updating of the Socio-Economic Development Strategies, water and sewage section, for Cahul and Riscani rayons under the GIZ Project "modernization of local public services." The delegation also included representatives of the central and local governments as well as water and sewage service operators in these rayons. Du-

ring the visit they learned structures that may contribute to institutional reform and the process of regionalization in the public water and sewage services in Moldova. The purpose of the visit was to get acquainted with the experience of the two countries in the regionalization of water and sewage services and to take over the best practices.

The main assertions built during the discussions also include the advantages of regionalization of water and sewage services: a more professional management of the water supply plant, protection of water sources, reducing water wastage, minimization of investment, sustainability, improved service quality, cost-effective local water infrastructure, water services by system centralization system and balanced regional growth .

8.10 Looking at successful practices in regional development in the Czech Republic

From 19 - 24 September 2011, the RDA specialists made a study visit to the Czech Republic. The visit was part of the Project "Support of regional development in Moldova: opportunity to stimulate civil society development," implemented by the Independent Analytical Center Expert-Group, jointly with the Czech Technology Agency, CzechIn-vent.

The aim of the study visit was to familiarize the participants with successful regional development practices in the Czech Republic and the European fund-raising methods.

The tour included visits to several places in the north and south of the country, where regional projects had been successfully implemented. The most important visit was to the RDA in Usti Region, Most branch. The participants learned about the agency's working methods in developing regional programs and assistance in their implementation.

8.11 Study visit to Poland

September 25 - 30, 2011, the RDA North communications specialist participated in a study visit to Krakow, Warsaw and other Polish cities. The study tour entitled "Local

✓ Study visit to Poland



public authority in the EU - institutions and functioning. Newsroom - support from the Polish to Moldovan media," was organized by the Centrum Europejskie Natolin for Moldovan journalists.

The study visit, financed in 2011 by Polish Foreign Assistance of the Ministry of Foreign Affairs of the Republic of Poland included workshops, conferences, visits to construction sites and companies and meetings and discussions with local Polish authorities.

The study visit to Poland identified certain common points, but also fundamental differences in public relations of Polish and Moldovan LPAs. Following the study visit, a number of positive aspects were taken into account in terms of how Polish local public authorities communicate with the media and with the Polish public.

8.12 Study tour within the Regional Development Pilot Program

Between 2 and 15 October DGDR and RDA representatives conducted a study visit to Latvia, Belgium, and Luxembourg which was organized by the European Commission's DG Regio. The purpose of this visit was to learn the best practices and benefit from the experience of these states in implementing regional policies. During the meetings issues such as the strategic planning of European funds, financial assistance for pre- and post-accession, information system management, public procurement control and projects financed from European funds were discussed.

The delegation participated in the Ninth European week of Regions and Cities and Open Doors Days in regional development. During this event 111 workshops and debates were organized between 10 - 13 October in Brussels. During the session called "Cohesion Policy in Eastern Partnership," the Moldovan delegation presented on the progress and challenges of regional development in Moldova.

✓ Study visit to Latvia and Belgium



An important part of the visit was the meeting at Eurostat, Luxembourg. Here, the Moldovan delegation had the opportunity to establish contacts with representatives of the EU's statistical office. The participants also attended a presentation on Eurostat's tasks, subdivisions, legal framework for its activities, the European Statistical System and Euro-indicators. The statistics were presented within the context of the European Neighborhood Policy.

8.13 Participation in the workshop titled “Local and regional public administration reform” in Kharkov, Ukraine

Representatives of the GDRD and RDA North, Center and South participated in a workshop entitled “Local and Regional Public Administration Reform,” in Kharkov, Ukraine.

The workshop was organized by the Ministry of Foreign Affairs of the Czech Republic and the European Commission, under the European Eastern Partnership for “Public Administration Reform” platform.

The workshop consisted of discussions and presentations on the experiences of all member countries of the European Eastern Partnership in local and regional public administration reforms. The themes included:

- removal of socio-economic disparities between regions;
- decentralization;
- financial autonomy of the local and regional administration institutions;
- e-government;
- cooperation between central government, civil society and citizens, as well as their participation in making local and regional decisions.

Workshop participants were also informed about the practices and experiences of European countries in the areas mentioned above.

▼ Moldovan delegation during the workshop



8.14 The study tour of the specialists of RDA Center to Alsace, France

During the period October 9 - 15, 2011, under the project “Elected and Water Platform” between France and Moldova, a study visit of the RDA Center specialists to Alsace, France, was conducted. The project was launched by the NGO “European Solidarity for Water, active in water governance, especially in the Eastern Europe and particularly in Moldova.”

The study visit included looking at the French experience in integrated water resources management, promotion and development of tools and structures for integrated water resources management at local, regional and inter-communal level, intensification of exchange of experience between the mayors and officers responsible for water management and fostering of the transfer of French knowledge and experience, particularly in the public management of water. The participants also visited communities where such management is implemented successfully.

8.15 The Second Annual European Forum for Cross-Border Cooperation for a Free Europe Elblag, Poland

On November 18, 2011, the representatives of the DGDR attended the Second European Forum of Cross-Border Cooperation held in Elblag, Poland.

This forum was organized by the Stability and Development Institute in Prague, Czech Republic, under the auspices of the Ministry of Foreign Affairs of Poland in cooperation with the Kaliningrad Region, Russian Federation. The forum was aimed at promoting interactive dialogue that would facilitate the free movement of citizens of the interstate border regions, encouraging the financing of cross-border cooperation activities and building the capacity of local government, business and NGOs to participate in such cooperation.

The forum was attended by about 100 representatives from 15 countries of Central and Eastern Europe, both from state institutions and non-governmental organizations as well as from the business sector in these countries.

The forum finalized with a declaration by the European institutions and governments of the 15 countries in the Eastern Europe participating in the cooperation process in this region. The declaration called for:

- speeding up and coordinating joint efforts targeting increased cross-border management, which will increase and speed up the transportation of people and goods across the borders;
- strengthening various forms of cross-border cooperation;
- support the establishment of a joint information space of the EU countries with their neighbors in the Eastern Europe, to facilitate the share statistical data to establish cross-border cooperation measurement indicators;
- using the opportunity to plan the budget process of the EU member states to increase the financing of cooperation in this area.

At the same time, the representatives of participating countries expressed their willingness to continue and deepen their relations with Moldova.

8.16 Study visit of Moldovan delegation to Romania organized by the German Development Cooperation GIZ

From November 28 to December 2, 2011 the German Development Cooperation in Moldova organized the study visit to Romania for procurement professionals of the RDAs, PPA representatives and representatives of the MRDC.

The study visit included looking at Romanian experience in local public procurement, promoting and developing some instruments and structures for public procurement management. They also visited institutions where such management tools are successfully implemented such as The Regional Development Constanta, Country Council Tulcea, the National Authority for Regulation and Monitoring of the Public Procurement (ANRMAP), Public Procurement Electronic System (PPES) and the National Council for Disputes' Settlement (NCDS).

8.17 Regional Seminar "Promoting good governance and financial management at local level," held in Kiev, Ukraine

The GDRD representative attended the regional seminar organized by the OSCE Mission, which aimed at applying a joint approach to matters concerning financial management, fiscal decentralization, procurement, familiarizing participants with good local governance and acquainting participants with the ongoing local decentralization process.

The regional seminar was attended by representatives of line ministries of Armenia, Albania, Belarus, Bosnia and Herzegovina, Romania, Serbia, Slovenia, Ukraine and OSCE experts responsible for decentralization and local governance, public finance problems as well as experts of the Council of Europe.

Also, the mayors of Slavutici and Vinnitsa in Ukraine were invited to present information about the successes and operational aspects of local public bodies in the process of decentralization.

During the sessions, the OSCE and Council of Europe experts presented views and addressed issues related to the importance of good local governance, the impact of financial crisis in Europe on local governance, financial decentralization as part of government reform, transparency in decision-making process, economic integrity in local governance and cross-border cooperation.

The representatives of the countries invited to the workshop were asked to provide information about the process of decentralization and local governance in the countries they represented, as well as about problems faced in the implementation of local autonomy projects.

During the discussions and debates held in the sessions, opinions were exchanged on the discussed topics, facilitating the collection of presented information and helping to build a new vision on the process of decentralization.

8.18 Workshop "Moderation - an effective approach to design and conduct group events," Leipzig, Germany

In December, GDRD representatives attended the workshop "Moderation - an effective approach to design and conduct group events" organized in Leipzig-Zschortau, Germany.

The workshop was organized by the Federal Ministry for Economic Cooperation and Development in collaboration with GIZ, under the “EU Integration of the countries in South-Eastern Europe” Program aimed at developing HR’ capacities.

Representatives from Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia were invited to participate in the seminar.

The seminar included a series of practical exercises, which are very important for the development of moderator’s skills to moderate an event. In parallel, various theoretical information and educational materials were offered as support for novice moderators.

At the same time, the workshop provided the opportunity for the participants to share experiences, depending on their individual activity, whether they work on regional development, are engaged in entrepreneurial activities, or work in technical assistance projects (mainly GIZ).

At the end of the workshop the participants received certificates confirming that they participated in a training course for group events moderators.

Conclusions

The activities related to regional development in 2011 were a continuation of the positive results achieved in 2010. The involvement of all regional players, such as central and local government representatives, private sector and civil society in implementing regional development policy is one of the main goals for creating a sustainable socio-economic development of the entire country.

In order to adjust the existing legal framework to the current needs and to the Acquis Communautaire, six studies on legal, conceptual and institutional recommendations were developed on how regional development may progress in Moldova. These studies will facilitate the work aimed at advancing the amendments to laws and government decisions. This would allow the progress of regional development, given that the two-year exercise has demonstrated and highlighted the main gaps that the legislature did not take into account and was not able to foresee when drafting legal and regulatory acts.

An important issue is the coverage of the RDAs activities through their sites in order to promote all activities and to ensure transparency in public spending on regional development activities. This shows that RDAs are open and transparent institutions who promote regional development.

- It should also be noted that during the reported period, local general elections were held. Many members of the RDS, representatives of local authorities lost their seats. Therefore, during this period, the MRDC had to organize a contest for selection of RDC members. Also during this period, activities were organized for capacity building of new members of the RDCs.
- The election period had a strong impact on the implementation of regional development projects because most representatives of the local governments were involved in this process, which led to a delay in implementation of their commitments under the projects.

Since the implementation of regional development projects started earlier this year was, it was possible to test in practice the methodology of monitoring and evaluating the regional development support measures.

It should be noted that in accordance with the European standards to assess the development level of the regions, the gross regional product is used as the macroeconomic indicator. For now this indicator is not calculated in Moldova. According to European practice, the funds intended for development of regional development measures are divided by regions according to its value within each region. The use of this method excludes the political factor in decisions on the allocation of funds. This problem was addressed in the pilot program of regional development and the EU-12 Program. After the negotiations, it was decided to provide technical assistance to NBS and the MRDC for the development of the regional statistics.

SADI is an effective tool that could be used in determining the disadvantaged areas. However, there is a deficiency, since this is an administrative indicator, calculated by ME and is only for rural settlements.

An important factor that may positively influence community development is to obtain financing for projects under cross-border cooperation programs. A problem requiring rapid resolution for this segment is to identify possible sources of payment for the state's share of the contribution to the projects for application for EU funding to be submitted.

The objectives established for the reported period were achieved due to the efforts of employees of the MRDC and the RDAs North, Center and South, as well as the support provided by development partners: DFID/SIDA Project "Moldova: Cooperation in Regional Development," GIZ projects "Modernization of public services in the Republic of Moldova" and "Capacity Development for Regional Development and Cross Border Cooperation in Moldova," and the project "Waste Governance - ENPI East."

Depending on the results achieved and lessons learned during the year, to implement the regional development policy in 2012 the following objectives were established:

1. Evaluation and harmonization of policy documents on regional development;
2. Drafting of plans and regulations on regional development;
3. Effective implementation of state policy on regional development;
4. Strengthening the capacity of national and regional stakeholders in the successful implementation of regional development strategies.
5. Effective collaboration with development partners in attracting and implementing investment and technical assistance projects in regional development;
6. Transparency in decision making, communication and information technologies in regional development;
7. Implementation of an effective and transparent monitoring and evaluation system of regional development policy implementation.

The fulfillment of the regional development policy in Moldova is possible only with the support provided by development partners, political will, and by joint efforts of all stakeholders (central government, local governments, civil society, academic sector, business community).

Annexes

Annex 1: List of regional development progress indicators in the 2011

Name of the indicator	Unit of measurement	Total for 2011	including			
			GDRD	RDA North	RDA Center	RDA South
Regional development agencies established and equipped	No. agencies	3	0	1	1	1
Staff hired, including	No. people	62	17	15	15	15
men		26	6	8	7	5
women		36	11	7	8	10
Meetings of the NCCRD	No. meetings	4	4	0	0	0
Meetings of the RDCs	No. meetings	7	0	2	2	3
Total training sessions, including	No. sessions	272	46	126	69	105
internal		84	17	42	7	18
For potential applicants		90	12	37	14	27
Participants in training sessions, including	No. people	2534	75	1102	363	994
men		1394	28	465	264	637
women		1140	47	637	99	357
Local study visits	No. visits	88	3	81	3	1
Participants in local study visits, including	No. people	285	3	207	50	25
men		161	2	108	39	12
women		124	1	99	11	13
Visits abroad	No. visits	36	13	8	6	9
Participants in study visits abroad, including	No. people	38	13	10	8	7
men		23	8	7	6	2
women		15	5	3	2	5
Publications, including	No. articles	130	1	40	25	64
In the local media		88	0	25	17	46
In the national media		40	1	15	6	18
Press releases	No. releases	388	56	188	52	92
TV broadcastings	No. reports	69	10	17	8	34
Radio appearances	No. reports	103	20	49	8	26
No. visits to the web page	No. visits	86874	0	34142	25495	27237
Projects include in the regional operational plans	No. projects	119	0	28	62	29
Projects included in the Single Programming Document for 2010-2012, including	No. projects	56	0	19	23	14
Ongoing projects financed by:	No. projects	27	0	10	9	8
NFRD		21	0	7	7	7
GK		6	0	3	2	1
Partnership agreements on implementation of projects	No. agreements	17	0	6	7	5
Development partners	No. partners	3	3	2	2	3

Annex 2: Degree of use of the NFRD sources for regional development project in 2011, (thousand lei)

nr. d/o	Name of the project	Responsible for imple- mentation	Allocated amount	Disbursed	Degree of unused/ used resources, %	
1	Sports tourism in promoting the region's image (Causeni)	RDA South	9,814.26	6,610.72	3,203.54	67.36
2	Construction of platforms for the storage of solid waste/ solid waste management (Calarasi, Strasenii, Vatici)	RDA Center	3,024.24	2,464.72	559.52	81.50
3	A clean environment for sustainable regional development (modernization of a waste storage platform, construction of platforms etc.) (Hincesti)	RDA Center	293.62	220.95	72.67	75.25
4	Sanitation of communities in Nisporeni, Strasenii and Calarasi raouns for a clean and healthy environment (Cioressti)	RDA Center	1,814.01	601.74	1,212.27	33.17
5	Household waste management in Telenești and Singerei	RDA Center	3,434.06	3,313.78	120.28	96.50
6	Finishing construction of polygon for accumulation, sorting and use of waste for three communities (7 localities): Biruinta	RDA North	4,113.95	3,799.36	314.59	92.35
7	Establishment of integrated solid waste management system in Northern Region (Soroca)	RDA North	0.00	0.00	0.00	0.00
8	Increasing the efficiency of solid waste management	RDA South	14,470.17	13,745.61	724.56	94.99
9	Designing the regional road R3-E581 in DR Center (14 km - Ulmu, r. Ialoveni)	RDA Center	3,934.38	3,813.03	121.35	96.92
10	Designing the construction of a capital construction of road section of 12 km for 7 communities in Central region — direct access to the national highway (Răzeni)	RDA Center	758.00	758.00	0.00	100.00
11	Connecting ZEL „Balti” ro municipal utilities: water, sewerage, electric power network, access roads	RDA North	4,901.17	4,901.55	-0.38	100.01
12	International regional M14 road renovation through or. Edinet	RDA North	18,779.60	15,378.01	3,401.59	81.89
13	Renovation of the bridge across Cogilnic river from Matrosov street and of the road section adjacent to the international highway Chisinau-Tarutino - Odesa, from. Basarabeasca	RDA South	2,094.49	2,090.17	4.32	99.79
14	Construction of the access road Dimitrova-Acui	RDA South	0.00	0.00	0.00	0.00
15	Renovation of the sewage system, pumping sta- tions and purification station in town. Cimislia and vil- lage. Ecaterinovca	RDA South	5,622.86	5,489.27	133.59	97.62
16	Ensuring sustainable local development and natural resources pollution prevention by reconstruction of wastewater treatment plant and extension of water and sewerage networks(Călărași, s. Tuzara, Selistea Noua)	RDA Center	23,563.83	23,431.87	131.96	99.44
17	Water supply from Prut river to the town of Falesti	RDA North	11,336.97	11,251.62	85.35	99.25
18	Qualitative water supply and sewerage systems in Otaci for a clean environment in the Northern region (Otaci)	RDA North	4,492.24	3,912.00	580.25	87.08
19	Clean water for the communities in Prut region (Manta)	RDA South	16,149.17	15,668.59	480.58	97.02
20	Opening business incubator in Larga commune - an important factor in the activities of active employment measures of youth in the region	RDA North	181.77	181.73	0.04	99.98
21	Rehabilitation o the leisure area “Lacul Sarat” in Cahul.	RDA South	27.79	27.78	0.01	99.95
	TOTAL		128,806.58	117,660.50	11,146.08	91.35